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nside Washington



Cheaper and Better Intelligence Sought



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WASHINGTON fanfare the prestigious Schale Appropiations Committee is taking a long, hard look at the agencies which conduct the Pengon's far-flung and costly intelligence activities.

Last year, at the committee's urging Congress imposed a flat manpower ceiling -- 138,000 employes - on those activities. Defense Secretary Melvin R. Laird, recognizing the problems in his department's sprawling intelli-gence complex assigned Assisttant Secretary Robert F. Froehlke as coordinator.

Now the Appropiations Committee's subcommittee on desense is scheduling a couple of days of closed-door hearings to explore further economies. Congressional experts believe Fro clilke has at least been able to identify expenses assignable to gathering defense intelligence.

Major targets of the committee's interest are two little-known Defense Department agencies which together spend far

Without more than the often publicized Central Intelligence Agency. They are the Defense Intelligency Agency, DIA, and the National Security Agency, NSA.

NSA is the government's electronic spy-agency, specializing and cracking codes. Congressional critics wonder whether NSA has carried its activities to a point where much of the product is no longer worth the cost.

The Defense Intelligence Agency was originally established to coordinate intelligence activities of the separate military services. Critics claim that the coordinating agency has itself become a center of military bureaucracy.

BILLIONS AT STARE - Overlapping responsibilities of C IA, Delense, and the State De-partment's intelligence bureau have periodically come under congressional criticism. That is one of the issues involved this

The Appropiations Committee is primarily interested , however, In the very large sums expen

ded and the quality of the ce not just in the possible duplica-tions involved. The inquiriy is being undertaken in connection with the committee's review of the annual defense appropriations bill.

The costs of many intelligence operations are classified, of course. For defense intelligence cost estimates, even when declassified may be misleading because military personnel estensibly assigned to other duties may actually be full or part-time intelligence operatives.

The costs of many intelligence operations have been more or less officially estimated at slightly under \$3 billion annually. That is substantially more than the \$500 million estimate which is usually used for the per year expenses of CIA.

with a concern in the White Hose over the cost and operations of the intelligence community. President Nixon is reported to be considering a reorganization of intelligence activities.

The President and, more frequently, national security adviser Henry A. Kissinger are said to be dissatisfied with the quality of the intelligence which reaches them. They would like to improve the product clarify the lines of responsibility, and cut costs.

They are said to be increasingly concerned that the carcer director of Central Intelligence,, Richard Helms, who doubles as boss of CIA, has no real power to coordinate all activities in his agency, Deefnse and State, though that was the concept

when his job was created.

Helms himself, the first career man to headtheCentral Intelligence Agency is highly regarded by the President, Even the critics of CIA in Congress applaud Helms for keeping his agency out of foreign policy desion making.

However, there has been increasing criticism of intelligence preparation for such operations as the empty-handed raid on the prison camp at Son Tay. More recently Kissinger was reported critical of the intelligence which let the South Veitnamese quickly outnumbered and overmatched on their invasion

As the United States seeks accomodation with the Soviet U-. nion (and perhaps, China) on limiting strategic arms, and amid the continuing controversy over NATO and Warsaw Pact troop levels in Europe, the gathering of reliable intelligence can have a tremendous bearing on the making of wise national security judgments.

the agencies where most of the nation's intelligence dollars are

Approved For Release 2002/05/06 corollar Figure 13B00296R0002000 10037 and and dagger spy story, there is real interest here in the efforts by